

REVISED MINIMUM ADVERTISED PRICE (MAP) POLICY

Effective January 20, 2016. This revision supersedes all prior MAP policies

Samsung Electronics America, Inc. ("Samsung") has built a strong reputation and following among consumers and has established a quality distribution network that actively promotes, educates and advertises our products to consumers. Therefore, with the goal to preserve its strong brand image, Samsung has established a Minimum Advertised Price ("MAP") policy ("Policy") for Samsung's products. The policy applies to U.S. Dealers only.

This MAP Policy document is provided for information and reference only. It is not incorporated in the Distributor or Dealer Agreements by reference. The terms of this Policy are confidential and may not be disclosed to other parties. Each Dealer/Distributor remains free to independently establish its own retail prices. In order to retain our image, Samsung has determined that it shall not support advertising or promotional materials, through cooperative advertising or otherwise, that may affect its goodwill, or diminish, detract and/or damage the value of Samsung products and standards

The Policy applies to all advertisements of Samsung products by Dealers in any and all media, including, without limitation, inserts, newspapers, magazines, catalog, mail-order catalogs, public signage, other print media, television, radio, e-mail, internet websites, e-commerce, social media, blogs, flyers, posters, coupons, brochures, any method which uses the hypertext transfer protocol (http) or any internal link to a web based shopping cart, and other electronic media. ("Advertisements").

The Policy defines the lowest price authorized to be advertised in order to maintain Samsung Brand equity. This policy applies to all US Dealers and all products in the visual display and digital audio/video/imaging product categories. Advertisements that do not comply with Samsung published MAP Program Guidelines will be considered in violation and, without assuming any liability, Samsung may issue written notification of failure to follow the Policy and execute the Schedule of Consequences as set forth below. Samsung reserves the right to revise any terms, including authorized dealer list and model list at any time.

GENERAL GUIDELINES

This policy applies to all consumer electronics product categories sold by Samsung, including, but not limited to: visual display, Blu-ray, HTiB, audio, wearables, digital camera, camcorder, solid state drive, tablet, printer, monitor and PC and other product categories as identified by Samsung. All Advertisements that include prices must meet the following requirements in order to be deemed in compliance with the MAP Policy:

1. Dealers cannot publish any price in violation of the aforementioned MAP Policy either online or offline at any publication including those of any third-party. Third-party includes retailers, price comparison websites, search engines, auction websites, distributors, or any company conducting commerce. Violations will be subject to the Schedule of Consequences as outlined below.
2. Any other link to another retailer/etailer's listing on the dealer's website is subject to this policy. Any violation from any of them who are unauthorized by Samsung counts toward the Schedule of Consequences against the dealer who listed it. Any violation from an authorized dealer is the responsibility of that authorized dealer only.
3. A "click for price", "mouse over for price", "see price in-cart", "add to-cart" button, or any other method on a website intended to solicit potential customers to put the product in a cart that ultimately displays a price lower than the MAP Guidelines is a violation of this Policy.
4. All advertised prices must show the MAP-compliant price. Savings amount may be omitted if desired.
5. At dealer's option, the SRP may be shown.

6. Free shipping and/or handling or free financing promotions do not violate this Policy, with the exception of UPP models, which must adhere to the guidelines provided in Samsung's current Unilateral Price Policy ("UP Policy").
7. Bundle promotions containing Samsung items that are not sponsored by Samsung shall meet the following guidelines:
 - Dealer may bundle and advertise, at dealer's discretion, Samsung branded visual display products (LED, LCD, PDP, TV Accessories, BD, HTiB) or DI products at up to 100% off of MAP when bundled with a MAP compliant LED, LCD or PDP TV, with the exception of UPP models, which cannot be bundled with any product, per the UP Policy.
 - Dealer may bundle and advertise, at dealer's discretion, Samsung branded digital imaging products (Digital Camera, Camcorder, Memory Card) at up to 100% off of MAP when bundled with a MAP compliant Digital Camera or Camcorder
 - Galaxy Tablet, Monitor, Printer and PC are excluded from the bundle promotions outlined above
8. "All on Sale", defined as a sale applicable to all SKU's of all brands in a product category shall not be advertised more than the maximum specified in the table below off of MAP. Dealers may exclude a limited number of special items from "All on Sale." For example, closeout or clearance items and a limited number of select new models may be excluded as long as the vast majority of the SKU's in that product category is advertised as "All on Sale". The "Category MAP Guidelines" still apply. The maximum advertised discount allowed for Samsung items shall be the greater of the maximum discount under "CATEGORY MAP GUIDELINES" or "All on Sale" Guidelines specified in the table below. This means that the "All on Sale" cannot add incremental discounts in addition to the maximum allowed under the "CATEGORY MAP GUIDELINES", and vice versa. UPP models must be excluded from "All on Sale" offers.

"All on Sale" Guidelines

Category	Maximum Advertised Discount
LCD, LED, PDP TV – MAP products	0%
All DAV (Blu-ray, HTiB) – MAP products	0%
All other visual display items including accessories (wall mount, link stick, etc.)	10%
All DI (Digital camera, Camcorder)	10%
Memory and Solid State Drive	0%
Galaxy Tablet, Printer, Monitor, PC – MAP products	0%
Galaxy Tablet and PC Accessories	20%

9. The MAP Policy does not in any way limit the ability of any Dealer to advertise that "they have the lowest prices", they "will meet or beat any competitors price", that prices are "too low to show", that consumers should "call or e-mail for a price", as long as the Advertisement price is not less than MAP.
10. With the exception of UPP models, the MAP Policy shall not apply to the final "Checkout" stage for online purchases. This area of a dealers website are those webpages where:
 - Consumer has acted in a deliberate manner to "go to Checkout" or "make purchase payment", by clicking on buttons designed for such purpose;
 - Consumer's personal information is required, most commonly name and address, or login information that is inclusive of these personal information; and
 - Security measures are in place where all data is encrypted for security against fraudulent activity and product price is not accessible by price comparison engines or "spiders."
11. Promotional codes or coupons may be entered only at the Checkout stage. The manner in which a dealer communicates the existence of such coupons or additional discounts may be subject to the

MAP Policy. UPP models must be excluded from such promotional codes or coupons, unless the code or coupon provides a UPP-compliant price.

CATEGORY MAP GUIDELINES

Visual Display Category MAP Guideline

All Advertisements (including those on the Internet) that include prices must meet the following requirements:

TV products: Dealer may not advertise any discount off of the MAP, as specified in the Samsung MAP bulletin. An exception is a Samsung sponsored Instant Rebate, which should be advertised

Television Accessories product category: Dealer may not advertise any discount from the MAP, as specified in the Samsung MAP bulletin. An exception is a Samsung sponsored Instant Rebate, which should be advertised.

Digital Audio Video / Digital Imaging Category MAP Guideline

All Advertisements (including those on the Internet) that include prices must meet the following requirement:

All DAV/DI categories (Including, without limitation, Blu-ray, DVD, HTiB, Digital camera, Camcorder, SSD): Dealer may not advertise any discount from the MAP, as specified in the Samsung MAP bulletin. An exception is a Samsung sponsored Instant Rebate, which should be advertised.

IT Category MAP Guideline

All Advertisements (including those on the Internet) that include prices must meet the following requirement:

Galaxy Tablet, Monitor (LED, MFM), Printer and PC (ATIV Book 3-9, ATIV One, ATIV Tab, ATIV Book Q) products: Dealer may not advertise any discount from the MAP, as specified in the Samsung MAP bulletin. An exception is a Samsung sponsored Instant Rebate, which should be advertised.

Galaxy Tablet Accessories and PC Accessories product categories: Dealer may advertise, at dealer's discretion, discounts up to 20% off of the MAP for all Galaxy Tablet and MID Accessory models as specified in the Samsung MAP bulletin.

SCHEDULE OF CONSEQUENCES FOR VIOLATING MAP POLICY

General

- Counting of violations applies to each instance of violation on an Advertisement vehicle. For example, if two visual display models on one circular advertisement are found to be in violation, that would constitute as one violation for the visual display category. For online advertising, each day of violation would constitute as one violation. For example, if two Home Theater in a Box models listed online are found to be in violation in one calendar day; that would constitute as one violation for the HTiB category.
- If a dealer is under violation but does not satisfy the complete terms of the corresponding consequence specified in this Policy, such would count towards a new instance of violation.
- Samsung shall at its sole discretion, determine the SKU among the SKU's that have been in non-compliance of this Policy, for which the consequence of violation applies. For example, first violation was on SKU "A" and second violation was on SKU "B". Samsung shall choose whether SKU "A" or "B" cannot be listed in Advertisements for 4 weeks.
- Any violation at any instance in time shall incrementally add to the number of violations that had existed prior to that. For example, if four violations occurred over a period of two years and the dealer lost the ability to purchase a SKU for the life of that SKU, and a fifth violation occurred on year #3 (in less than 12 months from the date of the fourth violation), then the fifth violation would be enforced using the same consequence as the fourth violation, and so forth. The number of violations shall reset to zero if there is a period of consecutive 12 months during which no violation occurs.
- A violation on any one SKU in each product category counts towards the number of violations in that category.
- In addition to the specific consequences outlined in the tables below, Samsung may refuse to pay or provide advertising dollars for Advertisements that do not comply with its published MAP Program Guidelines, and, without assuming any liability, Samsung may:
 - a. Cancel all orders and refuse to accept any new orders from any Dealer for a MAP Product immediately following verification by Samsung that the Dealer has advertised the Product at a net price less than the MAP Guideline.
 - b. In the event of printing error, require an immediate, formal retraction on all offending Advertisements (such retraction must be issued no later than one week after the error).
 - c. After the fourth violation, Samsung, at its sole discretion, may buy back any remaining sellable inventory of a SKU (as determined by Samsung according to the guideline above) of the dealer.
 - d. Terminate the Dealer Agreement.

Violation on Print Advertising

Violation	Consequence
First Violation	Warning
Second Violation*	Withhold advertising fund for the ad in violation AND cannot list SKU on online Advertisements for 4 weeks
Third Violation	Loss of ability to purchase SKU for 8 weeks AND cannot list SKU on online Advertisements for 4 weeks
Fourth Violation	Loss of ability to purchase SKU for life of that product AND cannot list SKU on online Advertisements for 4 weeks

*Second Violation: Charge back or hold all applicable advertising funds for any MAP violation within specific advertisements paid for by Samsung. If the advertising fund for a specific MAP violation cannot be readily determined, Samsung will utilize the ad cost determined by a third party company, IFR Monitoring, that tracks advertising (see Example of Calculating Applicable Advertising Fund below)

EXAMPLE OF CALCULATING APPLICABLE ADVERTISING FUND

Example: MAP violation advertising run on 10 different newspapers on Sunday, Jan 7

	<u>Ad Size</u>	<u>Ad Inch</u>	<u>Ad Cost</u>	<u>10 Newspapers</u>
Samsung Model A: \$200 below MAP	F08-4	4.75	\$1,254.05	\$12,540.50
Samsung Model B: \$100 below MAP	F01-1	3.00	\$663.24	\$6,632.40

If all 10 newspapers ran the same ad of the 2 models, the ad cost is \$19,172.90
[= \$12,540.50 + \$6,632.40]

Violation on Online Advertising

Violation	Consequence
First Violation	Warning
Second Violation	Cannot list SKU on online Advertisements for 4 weeks
Third Violation	Loss of ability to purchase SKU for 8 weeks AND cannot list SKU on online Advertisements for 4 weeks
Fourth Violation	Loss of ability to purchase SKU for life of that product AND cannot list SKU on online Advertisements for 4 weeks

ADVERTISING GUIDELINES

Dealer's Advertisements must follow the following guidelines and are subject to approval by Samsung. Failure to follow these guidelines may result in termination of the Dealer Agreement by Samsung.

1. All Advertisement(s) must include Samsung model numbers that are complete or sufficient in Samsung's sole and absolute discretion to specifically identify the advertised product(s).
2. Advertisement(s) must display appropriate brand name prominently containing the correct and authorized logo, product illustration, model number and mention at least one feature. Display advertisements deliberately depositing or illustrating Samsung Branded Products without brand names fail to meet merchandising principals that emphasize the value and quality of Samsung Branded Products. Please refer to the Logo & Trademark Usage section of the Samsung Dealer Agreement.
3. When Samsung's trademarks, logos and trade names are used, they must be used properly as indicated in the Samsung Logo & Trademark Usage guidelines available upon request.
4. All Advertisements must contain the correct product illustration corresponding to the model number. .
5. Advertisements must not be deceptive and should comply with state and/or federal laws, e.g. models shown and/or features advertised must be related to the price indicated in the advertisement.

Samsung has adopted this Policy unilaterally in furtherance of its independent business strategy and reserves, at its sole discretion, the right to change this Policy and to interpret, enforce and otherwise handle all questions and issues related to the Policy. Interpretation and application of this Policy shall be made exclusively by Samsung in its sole discretion. Except as expressly authorized by Samsung in writing, no Dealer or Distributor of Samsung, or their employees, have the authority to discuss, change or enforce this Policy."

Visual Display Examples

Compliant

Ex. (A): Manufacturer Sponsored Savings

Save \$80

46" LCD TV
LN46E550



\$ 879.99 Suggested Retail Price (SRP)
-\$ 80.00 Manufacturer Savings
\$ 799.99 Final Price

Dealer may only show savings from SRP to UPP or MAP. Dealer may show Samsung IR, if applicable.

Non-Compliant

Ex. (B): Dealer Sponsored Savings

Save \$180

46" LCD TV
LN46E550




\$ 879.99 SRP
-\$ 80.00 Manufacturer Savings
-\$ 100.00 Dealer Savings
\$ 699.99 Final Price

DEALER MAY NOT DISCOUNT BELOW MAP-COMPLIANT OR UPP-COMPLIANT PRICE

Ex. (C): Manufacturer Sponsored Savings

46" LED TV
UN46ES6100



\$1,399.99 Suggested Retail Price (SRP)
-\$ 100.00 Manufacturer Savings
-\$ 100.00 Manufacturer Sponsored IR
\$1,199.99 Final Price

Dealer may only show savings from SRP to UPP or MAP. Dealer may show Samsung IR, if applicable.

Ex. (D): Dealer Sponsored Savings

46" LED TV
UN46ES6100




\$1,399.99 SRP
-\$ 100.00 Manufacturer Savings
-\$ 100.00 Manufacturer Sponsored IR
-\$ 100.00 Dealer Savings
\$1,099.99 Final Price

VIOLATION OF \$1,199.99 UPP-COMPLIANT PRICE. \$100 DEALER SAVINGS NOT PERMITTED.

Example (E): Dealer Sponsored Promotion

Free Samsung HDMI Cable (\$40 value)

55" LED TV
UN55EH6000




\$1,549.99 SRP
-\$ 150.00 Manufacturer Savings
\$1,399.99 Final Price + Free \$40 HDMI Cable

\$1,399.99 represents the TV MAP-compliant price. Value-adds may be bundled with MAP products.

Example (F): Dealer Sponsored Promotion

Save \$190 (Including Free HDMI)

55" LED TV
UN55EH6000



\$1,549.99 SRP
-\$ 150.00 Manufacturer's Savings
-\$ 40.00 Dealer Value
\$1,359.99 after Manufacturer and Dealer Savings

VIOLATION OF \$1,399.99 TV MAP-COMPLIANT PRICE. DEALER MAY NOT NET THE PRICE OF THE VALUE-ADD FROM THE TV PRICE.

DAV / DI Examples

Compliant

Example (G): Dealer Sponsored Promotion

Save \$30

3D WiFi Blu ray
BD-E5900



\$ 149.99 MAP
-\$ 30.00 Manufacturer Savings
\$ 119.99 Final Price

Dealer may only show MAP-compliant price. Dealer may show Samsung IR, if applicable.

Non-Compliant

Example (H): Dealer Sponsored Promotion

Save \$30

3D WiFi Blu ray
BD-E5900



\$ 149.99 MAP
-\$ 30.00 Manufacturer Savings
-\$ 20.00 Dealer Savings
\$ 99.99 Final Price

DEALER MAY NOT DISCOUNT BELOW MAP-COMPLIANT PRICE

Ex. (I): Manufacturer Sponsored Savings

3D WiFi Blu ray
BD-ES6000



\$ 229.99 Suggested Retail Price (SRP)
-\$ 30.00 Manufacturer Savings
-\$ 20.00 Manufacturer Sponsored IR
\$ 179.99 Final Price

Dealer may only show savings from SRP to UPP or MAP. Dealer may show Samsung IR, if applicable.

Ex. (J): Dealer Sponsored Savings

3D WiFi Blu ray
BD-ES6000



\$ 229.99 SRP
-\$ 30.00 Manufacturer Savings
-\$ 20.00 Manufacturer Sponsored IR
-\$ 20.00 Dealer Savings
\$ 159.99 Final Price

VIOLATION OF \$179.99 UPP-COMPLIANT PRICE. \$20 DEALER SAVINGS NOT PERMITTED.

Example (K): Mfr. Sponsored Promotion

Save \$30

12.2MP Digital Camera
 •3" LCD screen, 4.6x optical zoom, dual image stabilization
 •Model Number: TL220



\$299.99 MAP
-\$30 Manufacturer's Instant Rebate
\$269.99 Final Price

Advertised price for mfr. sponsored promotion may be netted down by the exact promotion amount to show the final price. MAP must be shown

Example (L): Mfr. Sponsored Promotion

Save \$60

12.2MP Digital Camera
 •3" LCD screen, 4.6x optical zoom, dual image stabilization
 •Model Number: TL220



\$299.99 MAP
-\$30 Dealer Instant Rebate (10%)
-\$30 Manufacturer's Instant Rebate
\$239.99 Final Price

VIOLATION OF \$299 MAP PRICE. DEALER NETTED DOWN ADDITIONAL \$30 IR SPONSORED BY THE DEALER. NO DEALER DISCOUNTING ON DAV/DI OTHER THAN BLU-RAY